

S E C R E T
DEPARTMENT OF STATE
Executive Secretariat
Senior Interdepartmental Group

June 1, 1966

Record of Agreements and Decisions

Meeting of May 31, 1966

Present:

The Under Secretary of State

(Chairman)

The Deputy Secretary of Defense

The Chairman, Joint Chiefs of Staff

The Director, CIA

The Deputy Director, USIA (for Mr. Marks)

The Deputy Administrator, AID (for Mr. Bell)

The Deputy Under Secretary of State for Political Affairs

The Special Assistant to the President,

Mr. Walt W. Rostow

The Staff Director

Commerce - Secretary Connor

Treasury - Under Secretary Barr

Ex-Im Bank - Mr. Saues

EVR - Mr. Stoessel

E - Mr. Solomon

A) Export-Import Bank Loan for Fiat-Russian Plant

Agreed:

a) That the Export-Import Bank loan to IMI would be in U.S. interest;

b) that the Export-Import Bank should seek repayment terms of five years plus a grace period comparable to that offered the Russians by the Italians;

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- c) that State should prepare a paper for the President setting forth all the alternatives in addition to the foregoing position adopted by the SIG;
- d) that, if the President agrees, appropriate members of the Congress be informed, without implying there is any legal obligation to do so;
- e) that State should prepare a talking-point paper for use with certain members of Congress, including key members of the Ways and Means, Finance, Banking and Currency, Foreign Relations, and Appropriations Committees;
- f) that both papers should set forth the relevance of the loan to TMI to the proposal for the licensing for export from the U.S. to the USSR of a sheet steel mill that would produce sheet steel suitable for automobile manufacture;
- g) that, as of further assistance to these presentations, CIA in collaboration with E, Mr. Anthony Solomon, will prepare a study of U.S. and certain Western European countries for the purpose of showing a curve of investments accompanying or following a sharp rise in automobile production, and the resource implications thereof.


Harry H. Schwartz
Staff Director, SIG

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Mr. Walt W. Rostow
The Staff Director

ARA - Mr. Sayre
NASA - Mr. Fruskin

B) Antigua Deep Water Port

Mr. Walter Sauer said that the Export-Import Bank
will finance half the cost if the other half is financed
by another agency, or agencies.

It was agreed:

- a) That the U.S. should fulfill its obligation to
finance the project;
- b) Defense will reexamine the possibilities of
being of assistance in this respect;
- c) that SIG will consider the matter again at its next meeting.